Deseret News

Rocky Mountain Power gets \$3.2 million rate hike

Increase is in addition to \$36.2 million OK'd in August

By Jasen Lee

Deseret News

Published: October 14, 2008

Rocky Mountain Power was granted a rate increase Monday, but not as much as it had requested.

The Utah Public Service Commission issued an order granting the state's largest electricity provider an additional \$3.2 million rate increase, on top of the \$36.2 million that the company had already received from the commission in August. Commission spokeswoman Julie Orchard said the commission had not yet calculated how much the increase would affect customers' monthly bills.

The added 0.25 percent in revenue granted Monday amounted to 2.95 percent total of the overall request of \$160.6 million dollars the company said it needed to meet the needs of its Utah customers. In July, the company filed an application with the commission requesting a total rate increase of \$160.6 million, or 11.2 percent more than the utility was charging customers at that time. Last December, the utility had requested an increase of \$161.2 million, but that amount was eventually reduced to \$74.4 million in June.

The commission determined in August that the increase should be \$33.4 million. At the time, the company received a 2.7 percent rate increase but had asked for a 5.6 percent hike. The commission later said it had made a calculation error in its Aug. 11 order and said the amount of the rate hike was actually \$36.2 million.

The utility also still has a second request pending before the commission for \$85.2 million above the amount of the first request. The second request is an attempt to eventually gain the \$160.6 million overall rate hike.

Rocky Mountain Power spokesman Dave Eskelsen declined to comment Monday on what impact, if any, the latest commission decision would have on the utility's pending rate-case request. The company filed a formal appeal with the commission last month asking the panel to reconsider the reduced rate hike that had been granted.

Rocky Mountain Power's legal appeal challenged the commission's decision on Aug. 11 to approve a \$33.4 million rate hike, when the utility had requested more than twice as much.

Michele Beck, executive director for the Committee of Consumer Services, said Monday that she was "thrilled" for consumers with the minimal rate increase that was granted Monday.

E-mail: jlee@desnews.com